

**Phasing out Tobacco Subsidies and Supporting Alternative Livelihoods - The Karnataka High Court's Order in Cancer Patients Aid Association v. Government of Karnataka**

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When it comes to tobacco control in India, the policies pursued by different departments of the union and state governments have inherent contradictions. On the one hand, the Cigarettes and Other Tobacco Products Act (“COTPA”), which the Ministry for Health and Family Welfare is actively seeking to implement, aims to reduce tobacco use in the interests of public health. COTPA prohibits smoking in public places, prohibits the sale of tobacco products to minors and places significant restrictions on the advertising of tobacco products. On the other hand, the Indian Tobacco Board, a Union Government controlled body under the Ministry of Commerce and Industry, was constituted in 1975 and still continues to have the mandate of promoting the development of the tobacco industry. The Tobacco Board includes 10 members appointed by the Central Government from among tobacco growers, dealers and exporters and packers<sup>1</sup> and is a body that functions very much with the interests of the tobacco industry in mind.

One of the activities of the Tobacco Board that goes against the very grain of the government's efforts to reduce the demand and supply of tobacco products is the subsidies and support that the Board provides for tobacco cultivation. The Tobacco Board offers subsidies and other incentives for tobacco farmers growing the flu cured variety (FCV) of tobacco. These incentives include the supply of inputs, farming mechanisms, fertilizers and equipment for improving yield and quality of tobacco, improving of curing practices, and extension programs to help produce quality crop that attracts remunerative prices. In 2012 – 13 the Tobacco Board provided subsidies for tobacco cultivation in the tune of about Rs. 3.73 crores.<sup>2</sup> The Tobacco Board has also developed the concept of Good Agricultural Processes or GAP under which it

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<sup>1</sup> Tobacco Board Act, Section 4(4).

<sup>2</sup> Tobacco Board. Annual Report 2012-13 [Internet] available at [http://tobaccoboard.com/admin/publicationsfiles/AR\\_2012\\_2013\\_Eng.pdf](http://tobaccoboard.com/admin/publicationsfiles/AR_2012_2013_Eng.pdf)

extends subsidies of certain inputs to farmers in lands identified as “model project areas”. It is perhaps not surprising that the production of FCV tobacco in Karnataka (one of the two major tobacco growing states) has actually increased in the last few years from 93.86 million kgs in 2012-13 to 103.5 million kgs in 2014-15.<sup>3</sup> During this period, the production of FCV tobacco in India also increased from 270.5 million kgs to 296.76 million kgs.

The provision of subsidies and incentives for tobacco cultivation by the Tobacco Board is a blatant violation of India’s obligations under the [WHO Framework Convention for Tobacco Control](#) (FCTC). Recognizing the dangers of allowing tobacco control policies to be influenced by the tobacco industry, Article 5.3 of the FCTC requires state parties “*to protect public health policies on tobacco control from the commercial and other vested interests of the tobacco industry, in accordance with national law*”. Recommendation 17(7) of the [Article 5.3 Guidelines](#), in particular, requires that state parties do not give any form of preferential treatment to the tobacco industry, which is exactly what the subsidies and incentives granted by the Tobacco Board amount to. Equally relevant is Article 17 of the FCTC that requires state parties to provide support for viable alternatives to tobacco farming. Support and incentives for farmers to move away from tobacco farming towards alternative livelihoods must necessarily be accompanied by the stopping of incentives and subsidies for tobacco cultivation.

The Karnataka High Court recently issued an [order](#) on tobacco subsidies in a public interest litigation brought by the Cancer Patients Aid Association that could be a good starting point for phasing out tobacco subsidies.<sup>4</sup> The petitioner sought the cessation of subsidies as being in violation of Article 5.3 of the FCTC and instead asked that the State and Central Governments provide support and rehabilitation for tobacco farmers in switching to alternative crops. The course of the litigation saw two arms of the Union Government provide starkly different responses to the petition. The Ministry for Health and Family Welfare agreed with the reliefs sought by the petitioner and detailed the various steps being taken by the Government towards reducing tobacco consumption and assisting tobacco farmers in switching to alternative crops. The response of the Tobacco Board and the Union Ministry for Commerce and Industry, by contrast, pointed out that most FCV tobacco was cultivated and promoted for export rather than

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<sup>3</sup> Government of India, Ministry of Commerce and Industry, “Production and Export/Import of Tobacco,” available at <http://pib.nic.in/newsite/PrintRelease.aspx?relid=118692>, last accessed on 24/11/2015.

<sup>4</sup> Cancer Patients Aid Association v. Government of Karnataka & Ors., WP No. 55697/2014, decided on June 1, 2015.

domestic consumption and also that it was in India's commercial interests to follow the lead of other countries on the extent of compliance with the FCTC! On June 1, 2015, the Karnataka High Court disposed the PIL with an order directing the relevant Departments of the State and Central Governments to take steps to (a) reduce the local demand and supply of tobacco products, (b) consider a policy for the rehabilitation of tobacco growers and related tobacco workers and (c) consider whether or not to continue direct and indirect incentives and subsidies for tobacco production.

The issue of subsidies and support programs for tobacco farming has long been a sensitive topic as efforts to stop these programs are fiercely countered by the tobacco industry with the argument that such measures would end up destroying the livelihoods of hundreds of thousands of tobacco farmers. However, such arguments overlook the significant health hazards that tobacco cultivation poses to tobacco farmers as well as the growing body of evidence that suggests that many farmers are willing to move away from tobacco farming if given viable alternatives.<sup>5</sup> It is, thus, imperative to look at the issue of tobacco farming holistically and ensure that plans to phase out subsidies are accompanied by programs that provide strong support to tobacco farmers for transitioning to alternative livelihoods. By considering both these issues, the recent order of the Karnataka High Court provides a timely opportunity to develop a timeline for phasing out tobacco subsidies and bolster efforts to support the rehabilitation of tobacco farmers.

**IndiaTobaccoWatch (ITW)** is an initiative by organizations working in tobacco control across India to monitor and counter the activities of tobacco industry. Spread the word.

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<sup>5</sup> See, for example, "Tobacco Farmers asked to Shift to Other Crops," MydigialFC.com, October 14, 2015.